



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-913]

Certain New Pneumatic Off-The-Road Tires from the People's Republic of China: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of certain new pneumatic off-the-road tires (OTR Tires) from the People's Republic of China (China) during the period of review (POR) January 1 through December 31, 2016. Additionally, Commerce is rescinding this review, in part, with respect to two companies. We invite interested parties to comment on these preliminary results.

DATES: Applicable (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*).

FOR FURTHER INFORMATION CONTACT: Chloe Sagmoe or Chien-Min Yang, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2273 or (202) 482-5484.

Background

On September 1, 2017, Commerce published a notice of opportunity to request an administrative review of the countervailing duty (CVD) order on OTR Tires from China covering the period January 1, 2016, through December 31, 2016.¹ Commerce received timely

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request*

requests from Shandong Huitong Tyre Co., Ltd. (Shandong Huitong), Techking Tires Limited (Techking), and Tianjin Leviathan International Trade Co., Ltd. (Tianjin Leviathan), for an administrative review of the countervailing duty order.² On November 13, 2017, Commerce published a notice of initiation of an administrative review of the CVD order on OTR Tires from China with regard to the three companies.³ On November 17, 2017, Shandong Huitong and Techking each timely withdrew its request for an administrative review.⁴

Rescission, in Part, of Countervailing Duty Administrative Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party that requested the review withdraws the request within 90 days of the date of publication of the notice of initiation of the requested review. Shandong Huitong and Techking timely submitted withdrawal requests within the 90-day period. Accordingly, we are rescinding the administrative review of the CVD order on OTR Tires from China with respect to these two companies, and continuing the administrative review with respect to Tianjin Leviathan.

Use of Facts Otherwise Available and Application of Adverse Inferences to Tianjin Leviathan

Subsequent to the initiation of this administrative review, Commerce issued the initial questionnaire in a letter to Government of China (GOC) and Tianjin Leviathan dated January 19, 2018.⁵ Tianjin Leviathan, which did not withdraw its review request, failed to respond entirely

Administrative Review, 82 FR 41595 (September 1, 2017).

² See Shandong Huitong's letter, "New Pneumatic Off-The-Road Tires from the People's Republic of China: Shandong Huitong Tire Co., Ltd.'s Request for Administrative Review," dated October 2, 2017. See also Techking's letter, "New Pneumatic Off-the-Road Tires from the People's Republic of China: Techking Tires Limited's Request for Administrative Review," dated October 2, 2017. See also Tianjin Leviathan's letter, "New Pneumatic Off-the-Road Tires from the PRC: Request for Antidumping Administrative Review," dated September 26, 2017.

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 52268 (November 13, 2017) (*Initiation Notice*).

⁴ See Shandong Huitong's letter, "New Pneumatic Off-The-Road Tires from the People's Republic of China: Withdrawal of Request for Review for Shandong Huitong Tyre Co., Ltd.," dated on November 17, 2017. See also Techking's letter, "New Pneumatic Off-The-Road Tires from the People's Republic of China: Withdrawal of Request for Review for Techking Tires Limited," dated on November 17, 2017.

⁵ See Letter to GOC, "2016 Administrative Review of the Countervailing Duty Order on Certain New Pneumatic

to the questionnaire by the specified deadline. Additionally, the GOC not did submit requested information related to Tianjin Leviathan in response to Commerce's initial questionnaire. Therefore, because necessary information is not available on the record and because both Tianjin Leviathan and the GOC failed to respond to Commerce's request for information, we preliminarily find that the use of facts available is warranted, pursuant to section 776(a)(1) and 776(a)(2)(A) and (C) of the Tariff Act of 1930, as amended (the Act). Moreover, because Tianjin Leviathan and the GOC did not cooperate to the best of their ability, pursuant to 776(b) of the Act, we preliminarily find that use of adverse facts available (AFA) is warranted to ensure that Tianjin Leviathan does not obtain a more favorable result by failing to cooperate than if it had fully complied with our request for information. For further information, *see* "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.⁶

Preliminary Results of Review

Consistent with Commerce's CVD AFA methodology, we preliminarily determine the net AFA countervailing subsidy rate for Tianjin Leviathan to be 91.94 percent *ad valorem*.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with the preliminary results of a review within ten days of its public announcement, or if there is no public announcement, within five days of the date of publication of the notice of preliminary results in the Federal Register, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily applied AFA to the sole company that is still under review (Tianjin Leviathan), in accordance with section 776 of the Act, and because our calculation of

Off-the-Road Tires from China: Questionnaire," dated on January 19, 2018 (Initial Questionnaire).

⁶ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Certain New Pneumatic Off-The-Road Tires from the People's Republic of China; 2016" (Preliminary Decision Memorandum), dated concurrently with, and hereby adopted by, this notice.

the AFA subsidy rate is outlined in the Tianjin Leviathan AFA Memorandum,⁷ there are no further calculations to disclose.

Public Comment

Interested parties may submit case briefs not later than 30 days after the date of publication of this notice.⁸ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.⁹ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁰ Case and rebuttal briefs should be filed using ACCESS.¹¹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹² Hearing requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.¹³

⁷ See Memorandum, "Preliminary Results of the Countervailing Duty Administrative Review of Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Application of Adverse Facts Available for Tianjin Leviathan International Trade Co., Ltd.," (Tianjin Leviathan AFA Memorandum), dated concurrently with this notice.

⁸ See 19 CFR 351.309(c)(ii).

⁹ See 19 CFR 351.309(d)(1).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ See 19 CFR 351.303.

¹² See 19 CFR 351.310(c).

¹³ *Id.*

Commerce intends to issue the final results of this administrative review, including the results of its analysis of arguments raised in any written briefs, not later than 120 days after the publication of these preliminary results in the Federal Register, unless otherwise extended.¹⁴

Assessment

Commerce will instruct U.S. Customs and Border Protection (CBP) to assess CVDs on all appropriate entries. Shandong Huitong and Techking shall be assessed CVDs at rates equal to the cash deposit of estimated countervailing duties in effect at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2016, through December 31, 2016, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions to CBP 15 days after publication of this notice.

Notification Regarding Administrative Protective Orders

This notice also serves as a reminder to parties subject to the administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under an APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

¹⁴ See section 751(a)(3)(A) of the Act.

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(d)(4) and 351.221(b)(4).

Dated: July 5, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2018-14829 Filed: 7/10/2018 8:45 am; Publication Date: 7/11/2018]